# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Development of Distribution Resources Plans Pursuant to Public Utilities Code Section 769

Rulemaking 14-08-013 (Filed August 14, 2014)

## COMMENTS OF THE SOLAR ENERGY INDUSTRIES ASSOCIATION ON DRAFT GUIDANCE DOCUMENT

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# OF THE STATE OF CALIFORNIA

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In accord with the Assigned Commissioner's Ruling issued in the above captioned proceeding on November 17, 2014, as modified by the November 26, 2014 E-mail Ruling of Acting Chief Administrative Law Judge Sullivan, the Solar Energy Industries Association (SEIA)<sup>1</sup> submits comments on the draft Distribution Resource Plan Guidance (Draft Guidance) for use by the Investor Owned Utilities (Utilities) in their compilation of their Distribution Resource Plans (DRP).

#### I. INTRODUCTION

The stated purpose of the Distribution Resource Plan Guidance is to establish procedures and rules to guide the Utilities in developing their Distribution Resource Plan Proposals, which they are required by Public Utilities Code Section 769 to file by July 1, 2015. The DRPs will serve as roadmaps to incorporating Distributed Energy Resources (DER) into the planning and operations of the Utilities' respective electric distribution systems with the goal of "moving the IOUs towards a more full integration of DER into their distribution system planning, operations

The comments contained in this filing represent the position of the Solar Energy Industries Association as an organization, but not necessarily the views of any particular member.

and investments."<sup>2</sup> In this regard, the draft Guidance Document states that DRPs should also reflect these parallel goals:

- To modernize the electric distribution system to accommodate two-way flows of energy and energy services throughout the IOUs' networks;
- To enable customer choice of new technologies and services that reduce emissions and improve reliability in a cost efficient manner; and
- To animate opportunities for DERs to realize benefits through the provision of grid services.<sup>3</sup>

SEIA supports these goal as set forth in the draft Guidance Document but believes, as acknowledged in the document, that critical element in reaching these goal is "to dramatically streamline and simplify processes for interconnecting to the distribution grid to create a system where high penetrations of DER can be integrated seamlessly." Absent the ability for DER to be readily integrated in to the distribution system, the "critical role [which DERs are] to play in meeting California's policy of significantly reducing GHG emissions from the State's electricity and transportation systems" will not be realized.

SEIA submits that the Draft Guidance, with the minimal modifications highlighted below, sets forth the level of analysis which needs to be undertaken to ensure the goals with respect to DER deployment, as outlined in the Draft Guidance Document, are met.

### II. COMMENTS ON DRAFT GUIDANCE DOCUMENT

#### A. Minor Modifications to Analytical Frameworks

The Guidance document directs each IOU to develop three analytical frameworks related to the grid integration capacity of DERs, the quantification of DER locational value, and the

<sup>&</sup>lt;sup>2</sup> Draft Guidance Document, p. 6.

<sup>&</sup>lt;sup>3</sup> *Id.*, pp. 4-5.

<sup>&</sup>lt;sup>4</sup> *Id.*, p. 5.

<sup>&</sup>lt;sup>5</sup> *Id.*, p. 4.

future growth of DERs, giving specific direction as to what should be included in each analytical framework. With respect to the first of these frameworks, the Integration Capacity Analysis, the Guidance documents provides that each IOU shall:

Perform an Integration Capacity Analysis of their distribution system to the circuit level based on the capability of the system to integrate some quantity of DER within thermal ratings, protection system limits and power quality and safety standards. Results of analysis to be published via online circuit level maps maintained by Utilities and available to the public.<sup>6</sup>

While SEIA supports the draft Guidance Document's call for an Integration Capacity

Analysis and appreciates that the document provides for the results of the analysis to be available to the public, it submits that DER providers should be given access to the actual feeder level data. DER providers ability to identify locations on the system where there is available capacity to accommodate those deployments as well as where on the system DER can provide greatest value is really contingent on access to feeder level data. In short, such is necessary to ensure the effective integration of DER, as envisioned by this rulemaking proceeding. Accordingly, Part Four, Item 3 of the Guidance Document should be modified to require the IOUs to share this level of data.

The second analytical framework provides for an Optimal Location Benefit Analysis, the intent of which is to specify the net benefit in a given location that DER can provide. While SEIA acknowledges and supports the undertaking of such analysis, consistent with PU Code Section 769, it submits that, in assessing the Utilities' DRPs, locational optimization should not be valued in manner which restricts broader customer adoption of DER, regardless of their location.

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<sup>6</sup> *Id.*, p. 14.

Finally, the draft Guidance Document provides a framework for the Utilities to analyze the future growth of DER. As part of this analysis, the draft Guidance Documents directs the Utilities to "develop three ten-year scenarios that project expected growth of DERs through 2025, including expected geographic dispersion at the distribution substation level and impacts on distribution planning." Associated with this analysis, SEIA submits that the Utilities should be directed to identify potential system locations where additional capacity will be needed to accommodate anticipated growth of DER and set forth a plan to alleviate the identified future system constraint prior to adversely impacting the deployment of DER.

### B. Stakeholder Input at all Stages of DRP Development

As stated in the Draft Guidance document, the "DRP process should be a living one, where the Commission, the Utilities and stakeholders engage continuously to refine the activities and goals that are central to the DRPs themselves." In this context, the Draft Guidance document provides for the Utilities to include in their DRPs a plan for how their DRPs can be updated on a biennial filing cycle. SEIA strongly supports this cyclical process as it will allow for continued stakeholder input as technologies and market policies evolve.

In this same vein, SEIA submits that more stakeholder contribution should be provided for prior to the Utilities submissions of their initial DRPs. The schedule for this proceeding, set forth in the Order Instituting Rulemaking, calls for the Final Guidance Document to be issued in late January 2015 and the for the Utilities to file their Distribution Resource Plans in July 2015. There is no other opportunity for input by either stakeholders or Commission staff. Given the fact that this is the first time the Utilities have engaged in distribution resource planning which is focused on the integration of DER, it is important that there be sufficient oversight by the

<sup>7</sup> *Id.*, p. 17.

<sup>8</sup> *Id.*, p. 24.

Commission and appropriate input by the industry to ensure that the DRPs which the Utilities

file in July 2015 sufficiently comply with the directives of the Guidance Document.

As one of the stated purposes of this rulemaking is "to guide the IOUs in the development

of their DRPs,"9 in the ruling issuing the final Guidance Document, the Commission should set

forth a schedule for the Utilities to give updates to the Commission staff and interested

stakeholders on the development of their DRPs.

III. **CONCLUSION** 

SEIA appreciates the opportunity to provide comments on the Draft Guidance document

and looks forward to continued engagement in this proceeding.

Respectfully submitted this December 12, 2014, at San Francisco, California.

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Order Instituting Rulemaking, R. 14-08-013 (August 14, 2014), p. 4.

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